

27 April 2016

UPDATE ON GRAPHEX PROSPECTUS

IMX Resources Limited (**ASX: IXR**) ('**IMX**' or the '**Company**') advises that on 12 April 2016, the Australian Securities and Investments Commission ('**ASIC**') released Information Sheet 214 (INFO 214) on forward looking statements commonly made in the mining and resources industry relating to production targets, forecast financial information and discounted cash flow valuations.

INFO 214, which was released eight days after Graphex Mining Limited ('**Graphex**') lodged its prospectus (the '**Prospectus**'), specifically highlights the significance of demonstrating the ability to secure project finance as a basis for establishing the reasonable grounds required for making forward looking statements.

Graphex has been notified by ASIC of an interim order in which it raises certain concerns in relation to the Prospectus. ASIC's primary concern relates to Graphex being able to demonstrate that it has reasonable grounds for the publication of forward looking financial information.

Graphex is doing all that it can to address ASIC's concerns, in particular demonstrating that the Chilalo Graphite project has the capacity to generate funding as and when required under its development schedule. IMX and Graphex will inform the market should ASIC require additional disclosure or if there are changes required to the indicative timetable provided in the Prospectus.

IMX Managing Director Phil Hoskins commented: *"The lead managers to the Graphex IPO – Palladion Partners and RM Corporate Finance – have been delighted with the strong support for the IPO, with current indications of demand in excess of the maximum raising of \$7 million. Graphex is doing all that it can to address ASIC's concerns as quickly as possible, in particular demonstrating that the Chilalo Graphite project has the capacity to generate funding as and when required under its development schedule."*



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